

1 A MEMORIAL

2 REQUESTING THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO
3 DEVELOP AN IMPLEMENTATION PLAN AND MECHANISM RELATING TO THE
4 CIVIL ASSETS OF THE STATE AND ITS POLITICAL SUBDIVISIONS TO
5 ENABLE GOVERNMENTAL ENTITIES TO ENTER INTO AGREEMENTS FOR THE
6 RENOVATION OF CERTAIN INFRASTRUCTURE, AND UTILIZE PRIVATE AND
7 PUBLIC FINANCING WITH PERFORMANCE AND VALUATION GUARANTEES
8 COMPLIANT WITH GOVERNMENTAL ACCOUNTING STANDARDS BOARD
9 STATEMENTS 34 AND 35.

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11 WHEREAS, adequate infrastructure, including roads,
12 pipelines, water and wastewater treatment, electrical
13 generation and distribution, and telecommunications, is basic
14 to the health, safety and welfare of all New Mexicans; and

15 WHEREAS, governmental efforts and resources have not
16 been sufficient to create and maintain a consistent and
17 adequate condition level of infrastructure statewide; and

18 WHEREAS, failure to maintain the infrastructure may
19 create adverse economic or financial impacts on the local
20 economy and can discourage new private investment or
21 reinvestment; and

22 WHEREAS, compliance with governmental accounting
23 standards board statements 34 and 35 with regard to the net
24 value of infrastructure assets is of financial benefit to
25 state and local governmental entities;

1 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE
2 STATE OF NEW MEXICO that the department of finance and
3 administration be requested to develop a plan and establish
4 mechanisms for governmental entities to enter into
5 agreements:

6 A. for the restoration of depreciated or
7 deteriorated civil infrastructure assets for which the
8 renovation costs are less than the replacement value;

9 B. that provide for the financing of the
10 restoration; and

11 C. that include performance guarantees; and

12 BE IT FURTHER RESOLVED that governmental entities be
13 requested to enter into joint powers agreements or other
14 appropriate contractual arrangements:

15 A. for the purpose of renovating depreciated or
16 deteriorated civil infrastructure assets for which the
17 renovation costs plus other associated costs are less than
18 the replacement value;

19 B. that provide for the financing of civil
20 infrastructure restoration; and

21 C. that provide, as part of the financing,
22 performance guarantees provided by a third party or risk-
23 pooling provider; and

24 BE IT FURTHER RESOLVED that copies of this memorial be
25 transmitted to the department of finance and administration,

1 the New Mexico municipal league and the New Mexico

2 association of counties.

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